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AGENDA ITEM 3c

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** Health Open Enrollment Period Results
- II. PROGRAM:** Health Benefits
- III. RECOMMENDATION:** Information Only
- IV. BACKGROUND:**

This agenda item is a report of the movement of CalPERS members to different health plans with Blue Shield's Net Value expansion into new counties during the 2010 open enrollment period.

V. ANALYSIS:

Open Enrollment Summary

The impact of the 2010 open enrollment period is measured by comparing the number of members changing plans to the December 2010 enrollment counts. January 2011 enrollment counts are not used because they include additional plan changes outside of open enrollment.

During the 2010 open enrollment, 20,611 (3.3 percent) of CalPERS subscribers changed plans. This represents 47,733 (3.7 percent) of Total Covered Lives (TCLs) and is based on December 2010 enrollment counts.

Among the 20,611 transferring subscribers:

- 19,713 (4.1 percent) of Basic plan subscribers, and
- 898 (0.6 percent) of Medicare plan subscribers transferred.

In total, Blue Shield declined by 11,395 TCLs, which excludes members moving between Access+ and NetValue. Access+ account for more than half of the 47,733 total CalPERS members changing plans.

- Access+ lost 24,189 TCLs, with more than half moving to NetValue. Twenty-two percent joined Kaiser, and 21 percent enrolled in a CalPERS self-funded plan.
- NetValue increased by 12,794 TCLs, with more than three quarters coming from Access+.
- NetValue's service area expanded to include Santa Cruz, Santa Clara, and the remainder of San Mateo County, gaining 3,402 TCLs in those counties.

Kaiser Permanente gained 8,351 TCLs. Three quarters of these came from Blue Shield, and a quarter switched from a CalPERS self-funded plan.

Total membership in a Health Maintenance Organization (HMO) fell 3,044 TCLs, split approximately in half between CalPERS self-funded plans and the Association plans.

Attachment 1 shows the total net increase and decrease of subscribers and TCLs, by plan, transferring during open enrollment and compared to December 2010 enrollment counts.

Attachments 2 & 3 detail plan changes of subscribers and TCLs from one health plan to another and newly enrolled dependents during open enrollment.

January 2011 Member Distribution

Attachment 4 compares the total enrollment of subscribers and TCLs between January 2010 to 2011. The overall enrollment increased by 38,013 members (3 percent). The increase is from 28 new public agencies joining CalPERS during 2010, newly enrolled subscribers and added dependents through open enrollment, newly age-eligible dependents from Health Care Reform, and newly enrolled employees and their dependents.

VI. STRATEGIC PLAN:

This directly relates to Strategic Goal XII: Engage and influence the healthcare marketplace to provide medical care that optimizes quality, access, and cost.

VII. RESULTS/COSTS:

This is an information item only.

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Attachments